

Intelligent “unit costing and pricing” solutions for individual support packages

Presented by



Funded by

The NDIS Practical Design Fund

In workshops dated 5 February, 19 February and 5 March 2013

For disability support providers including:

Asteria

Bayley House

Blairlogie Living & Learning

CODA

Cooinda Hill

Focus

Inclusion Melbourne

Kankama

Latrobe Lifeskills

Mawarra Centre

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Introduction

The challenge

The accurate, timely and dynamic costing of individual support packages is critical for disability support providers in Victoria. Accurate costing is a precondition for enterprise reform, NDIS adaption, user transparency and crucially - Commercial pricing strategy.

Our work with other providers demonstrates that in *some* cases:

- Providers do not adequately record or track “funded targets”, agreed service levels or other contractual conditions within their individualised support packages
- Providers do not understand their genuine cost of delivery at an hourly, package or enterprise level - Activity based costing systems are very rare in this industry!
- Providers do not understand the genuine cost impact of the modern award and equal remuneration order reforms
- Providers do not adequately control the support they actually deliver
- Providers do not adequately “cost” new work or its impact on their organisations.

Skill and knowledge gaps in these areas can undermine the providers’ capacity to win new work, communicate transparently with stakeholders (including clients, families and funders), remain financially viable and grow organisational capacity.

A response

Our tools and workshops will provide practical resources to enable providers to respond to these challenges in a number of ways:

- Providing resources for entities to identify what ISPs they currently service
- Provide a conceptual framework to identify cost types and drivers
- Provide helpful “rules of thumb” estimators and guidelines for pre-tender / engagement due diligence and stress testing
- Provide guidelines for post engagement measurement of package and unit costs
- Provide insight into potential pricing impacts on the organisations

A call to action

This material is not designed as “passive reading material”. Grab a pen and highlighter. Make a note of your to-do items. Set some SMART objectives and ensure your organisation starts generating, interpreting and adapting to commercial signals like proper costing and pricing for your individual support packages. To generate a “perfect unit cost” for each activity you undertake and to properly price it is a very significant exercise. Our advice is to focus on the “large cost drivers and price levers first” and to refine over time – But here is a word of caution: Be disciplined and rigorous in your approach. This material potentially underpins your future business models and their capacity to adapt.

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What is costing?

Simple costing definition

Costing is the systematic process an organisation uses to identify:

- Key goods or services it produces,
- The cost of those goods or services
 - At a defined point in time
 - With a fixed group of operating assumptions
 - In insightful ways

What costing approach is right for our organisation?

Costing systems vary from the simple use of “rules of thumb” to sophisticated “activity based costing systems” - And everything in between!

When it comes to costing one size does not fit all! The sophistication of your organisation’s costing system will be driven by a number of factors:

Enterprise complexity: If you have significant trading businesses, investments, fundraising operations and a variety of disability support products spread over multiple funding jurisdictions you *may* need a sophisticated costing methodology. If your organisation only offers a small number of individualised support packages through DHS funding, your costing approach is likely to be less sophisticated.

Simplicity: The costing system should be simple and plain so that people outside finance (including people without formal accounting education) can understand and own it. The information provided by cost accounting must be designed and delivered “at the right time, to the right person, in accessible language” - Otherwise the wider business will miss the point. Communicating with disability support workers in dollars may not be as productive as reporting on hours delivered and goal attainment!

Flexibility: A costing system must adapt to changed conditions and circumstances. The pre-NDIS period is likely to be characterised by significant change, innovation and volatility. If your organisation’s costing system can’t adapt quickly it may fail.

Economical: A costing system is like any other economic good. It costs money! If the system is too expensive for the benefit it generates, management and governance may be unwilling to pay for it in the long term. A costing system must be adopted according to the financial capacity of the business. Building a “full activity based absorption costing framework” is a significant impost which needs to be weighed carefully against potential “marginal” benefits.

Comparability: The costing system must provide information which can be compared to past performance, relevant peers or against the industry as a whole.

Timely information: Any costing system exists as a business decision support tool. It needs to provide accurate and timely information that is helpful to management in taking decisions. In disability, these decisions may include growing a particular support arrangement type or handing a particular client back to the funder. Delaying analysis or even small inaccuracies can have very significant outcomes for disability providers in the long term.

Initial observations: The more detailed and complex a costing system is, the more costly it is to create, test and maintain. Sophisticated costing systems provide benefit where they more accurately assign indirect costs **and** where this difference is material to the product or service costing outcome.

Between 70% and 85% of most disability support cost is **direct labour**. The requirements of the relevant quality frameworks tend to add direct costs like program management, administration and supervision at a rate between 7% and 15%. This leaves between 8% and 15% of "indirect costs" to allocate.

While this "indirect" element is significant we believe that pragmatism will often yield a result which is "materially correct" and far more timely than the "perfect activity based cost".

What is our encouragement at the start of this journey? Focus on costing disciplines which matter most:

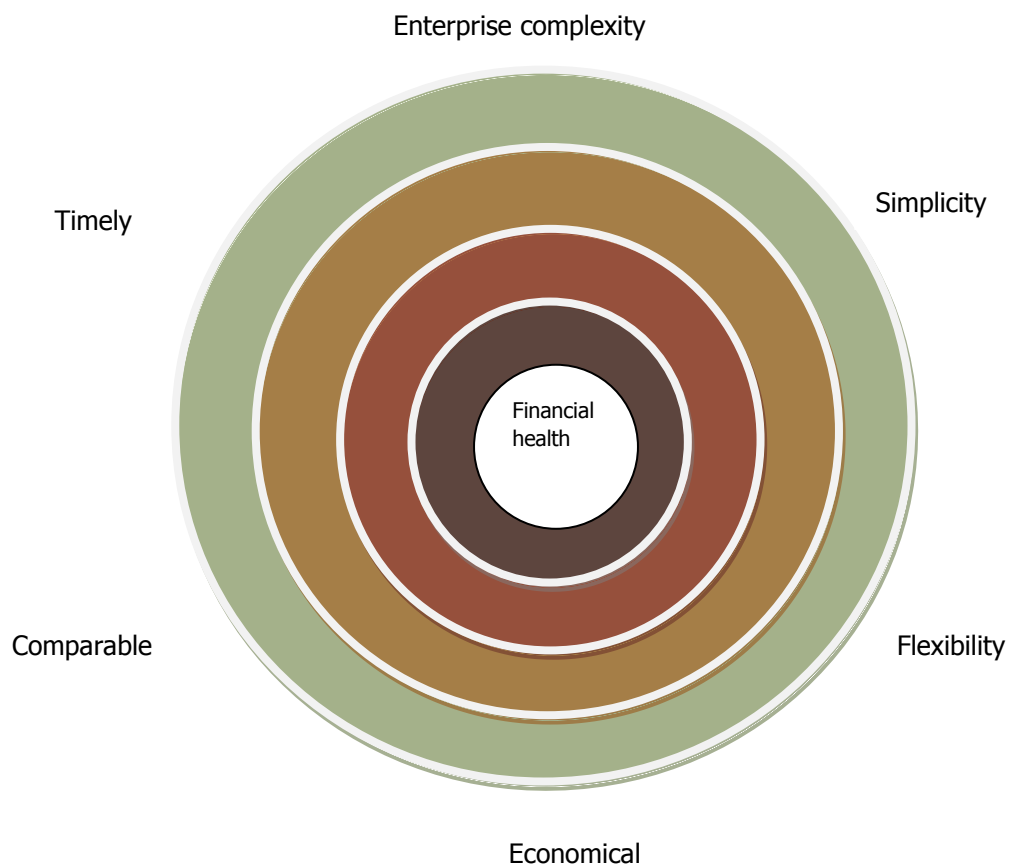
- Focus significant resource on correct attribution of full absorption direct labour costs
- Focus some resource on correct attribution of program administration costs
- Identify key or material elements within indirect costs that require direct attribution and then use "reasonable rules of thumb" thereafter. Don't overwork this element as it may not be material in your organisation in an "overall" sense.

Experiment

If you viewed all of the key characteristics of enterprise the costing framework as “spokes” on the wheel of financial health, how would your organisation’s wheel look? The better you think your organisation performs the longer the spoke should be. Draw it!

Compare notes between your team members. Are you on the same page?

Compare your wheel with those around the room. How are you placed?



What is pricing?

Simple pricing definition

Pricing is the process of determining what an enterprise will receive in exchange for its products.

Pricing is the systematic process an organisation uses to determine:

- What price an enterprise will receive for each defined unit of its key goods or services
 - At a defined point in time
 - With a fixed group of operating assumptions
 - In insightful ways

What pricing approach is right for our organisation?

Elements of good pricing

A “good” price should deliver on the following elements:

- Achieves the risk adjusted financial goals of the enterprise
- Fits the realities of the marketplace
- Responds to the product’s positioning and your organisation’s unique value propositions
 - Quality
 - Price
 - Distribution

Price taker or price maker

Generally, disability support organisations have viewed themselves predominantly as price takers not price makers. What does this mean in practice? The predominant view appears to be that “DHS funds \$38.82 per hour for 1:1 attendant care and community access support. This is the price we must charge regardless of complexity, timing and flexibility of support provision.”

Is this pricing strategy legitimate? Let’s consider an example:

Jerry is a person living with disability. He has few informal supports and is very dependent on his accommodation and community access provider for his “basic daily needs”. He has received a DHS funded individualised support package totalling \$25,000. This package is designed to meet his community access needs for the year. Notionally it provides him with 645 hours of support.

Let’s look at the different profitability outcomes for the support provider when they accept that Jerry’s real price of support should ***always*** be \$38.82:

Jerry's package	Profit / (loss) per hour of support		
Shift type	SACS 1.1	SACS 2.1	SACS 3.1
Monday to Friday day shifts	6.31	4.08	0.89
Monday to Friday afternoon shifts	2.24	(0.27)	(3.86)
Monday to Friday night shifts	1.43	(1.13)	(4.80)
Saturday shifts	(9.95)	(13.29)	(18.08)
Sunday shifts	(26.21)	(30.67)	(37.05)
Public holidays	(42.46)	(48.04)	(56.02)

Some potential conclusions could include:

Status quo: Accept that the client's needs come first and continue to provide service regardless of the cost. This will lead to happy clients and your bankruptcy.

Divest unprofitable support types: Accept that the provider should avoid support outside weekdays from Monday to Friday.

Cherry pick support types: Accept that the provider should "buy in" support at high cost times from naive providers who don't understand their real costs. There are still providers offering weekend and night support at \$38.82! Are you one of them?

Bundle to achieve an outcome: The provider should carefully consider the "mix" of shifts offered and bundle a package which can still achieve a risk adjusted return at the fixed price of \$38.82.

Price with more sophistication: The provider should listen to the client's key needs and tailor a package which does not accept the "mandated" price of \$38.82. This will usually mean that if Jerry requires significant support outside business hours he will receive lower numbers of hours. The general approach would be to transparently set prices as a function of:

- Support ratio
- Support staff type required
- Shift type
- Other input as required

Your organisation should have a working understanding of "price mandates" contained in your key funding and service agreements. While some contracts are prescriptive about unit "prices", we believe that many do not.

Common methods of pricing

The three most prevalent pricing strategies in disability appear to be:

Mandated price – For example \$38.82 per hour for DHS funded 1:1 attendant care

Cost plus a risk adjustment margin – For example \$55.00 per hour for DHS funded 1:1 attendant care on Saturdays after embracing a 5.25% risk margin

What the market will bear- For example the market for client funded casual “in-home respite” is very thin in Hamilton. A three hour Sunday night “parent escape” support is priced at \$250 because we believe that this is what the market will bear

To understand these different approaches and to set policy around risk adjusted return factors is crucial to pricing policy in future.

Key actions on pricing

Understand what you are delivering and your rights and obligations under funding and service agreements

Understanding the competitive landscape

Understanding your unique value propositions and pricing accordingly

Understand the product’s key cost drivers

Pricings effect on overhead

Engage intelligently with your clients and their stakeholders based on real business intelligence

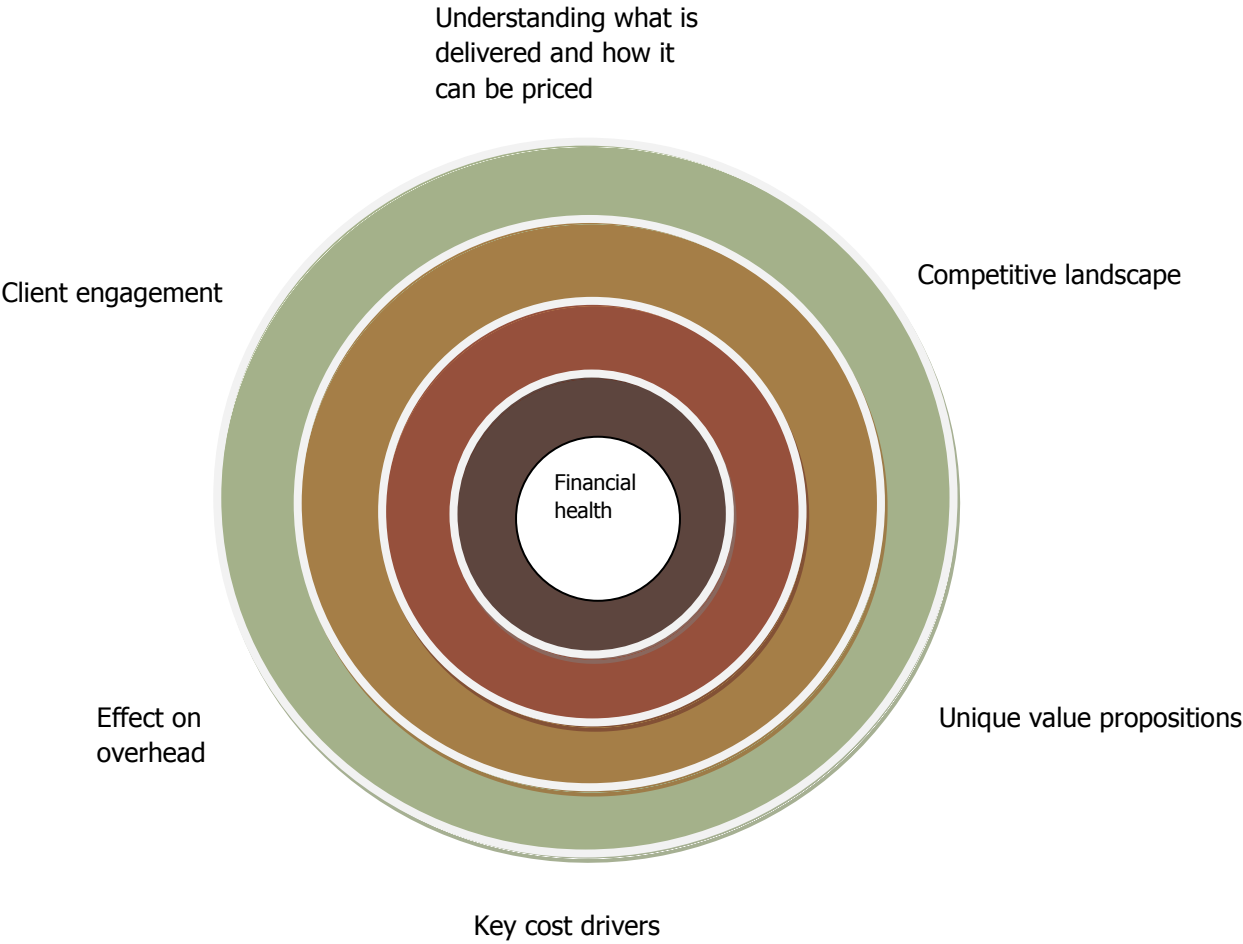
Your organisation’s approach to these issues will largely determine pricing strategy. This strategy may have dramatic impact on client outcomes and financial outcomes in the future.

Experiment

If you viewed all of the key characteristics of the above product pricing frameworks as “spokes” on the wheel of financial health how would your organisation’s wheel look? The better you think your organisation performs the longer the spoke should be. Draw it!

Compare notes between your team members. Are you on the same page?

Compare your wheel with those around the room. How are you placed?



Why is this important?

Commercial quality costing and pricing is crucial for Victorian disability providers. The pace of market and enterprise change will only get more significant as we approach an NDIS. Without proper disciplines around costing and pricing your organisation may not be relevant in a more highly individualised world.

Market architecture changes

Consider the following summary of market architecture change and the key take homes for your organisation:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

	Past	Present	Future	Critical change focus
Funding mechanism	Block funding	Individualised funding	Entitlement based funding	Retaining and winning "right" client work
Funding Agencies	Victorian State Government	Victorian State Government	Client via NDIA with Federal funds	Creating healthy client relationships
Funding application	Controlled by service providers	"Portable" but very low volatility	Controlled by individual - higher volatility	Scenario planning and business casing
Funding measurement	SNA measured by Department?	SNA measured by Deapartment?	Funding measured by clinicians and audited	Effectiveness measures and quality
Service delivery focus	Support hours and safety	Support hours and quality framework	Service effectiveness and actuarial savings	Understand UVP and deliver
Unique value proposition	Not important	More important	Crucial	Understand UVP, market effectively and deliver
Cashflow and credit risk	Not important	More important	Crucial	Implement business rules and measurement
Understading individual performance	Not relevant	More important	Crucial	Understand individual performance and accountability measures
Funding specialised capital assets	Hybrid capital funding models	Hybrid capital funding models	Private capital funding	Explore ownership and financing models and return requirements
Importance of strategic planning	Important	More important	Crucial	Shaping the future starts with tone at the top

Key adaption required

To survive and thrive we believe that suppliers will need to:

- Listen carefully to their key client bases and consider the support that they need and want
- Listen carefully to the pricing signals their key markets are sending
- Understand and interpret how your organisation is positioned in relation to particular types of support
- Design supports defined by quality, outcome, timing and cost which attract sufficient market demand at acceptable price
- Offer the supports to market
- Assess viability and client effectiveness measures on a risk adjusted basis
- Refine offerings
- Repeat the process...

Successfully embedding costing and pricing disciplines **may** enable your organisation to make the leap.

Without adaptation...

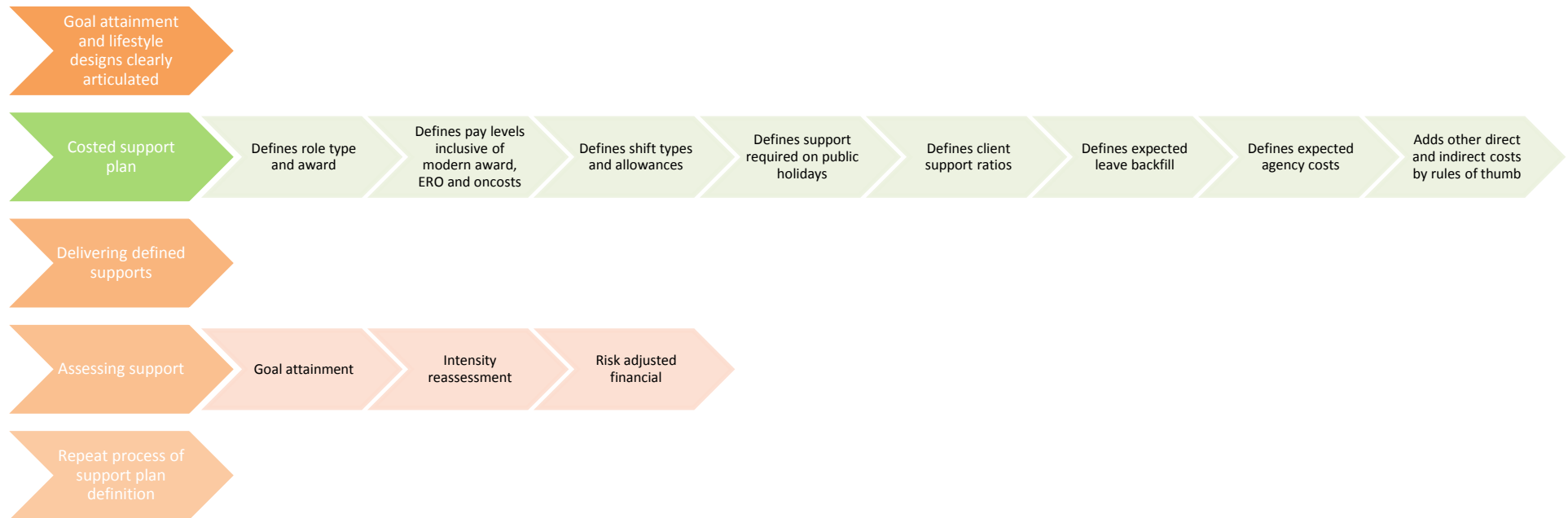
Without costing, pricing and behavioural adaptation to a more individualised “market driven” world we believe that your organisation faces substantial risk of:

- ***Failing to win*** new clients in key niches
- ***Failing to engage and retain the right*** existing clients
- ***Under or over supporting*** existing clients
- ***Failing to adequately assess*** viability
- ***Failing to act*** with financial discipline or clinical excellence
- ***Eroding your*** financial position
- ***Failing to safeguard your*** clinical performance

These disciplines are not just important. They are crucial to your future.

Elements of “good practice” costing

Costing and its place in package design



Time definition for costing

Obviously, one of the crucial elements of any costing system is to determine what period it relates to and seeks to describe. The two "normal" alternatives are historical costing and future cost modelling. Historical costing is based on the organisation's historical package performance. Future cost modelling is a measurement of future expectations based on defined assumptions.

The market is undergoing very significant "cost driver" change at present. This change embraces:

- Increasing individualisation
- Labour cost increases driven by modern award rate variations
- Labour cost increases driven by equal remuneration order
- Labour cost increases driven by modern award minimum shift length alterations
- Labour cost increases driven by Fair Work Australia clarification of "personal care" as predominantly being delivered under SACS based awards
- Claim and workplace definition based increases to Workcover
- Compliance, supervision and quality costs increases
- Package planning, costing and documentation costs increases
- Some overhead cost element increases (time and attendance software etc.)

Given the materiality of these changes and ***the fact*** that many disability organisations do not currently have sophisticated or individualised costing methodologies, we tend to recommend cost and price modelling rather than laborious attempts at individual historical costing.

As outlined above, the sophistication of your costing or modelling will vary. If you are coming off a low base, our advice is to observe the KISS principle! Keep It Simple Stupid! Start with a simple model and add sophistication over time as "something" is often better than "nothing".

Identifying the individualised support packages delivered

It's difficult to cost or price supports if you don't first know:

- Who your clients are
- How they are funded
 - Terms and conditions of funding
 - Deliverables enshrined in contractual agreement
 - Accountability required to client or funder
 - How they are supported
 - What key goals or stakeholder expectations have been defined for them
 - Support ratios
 - Support staff type required by SCHAD pay points
 - Shift type
 - Location
 - Other non-labour input used
 - Assets
 - Out of pockets expected
 - Other input as required

If you can't quickly summarise this type of information for all of your individual support packages from existing costed support plans then this is a high priority activity.

While this package based activity will never provide a "precise" guide of overall enterprise performance, it should provide you with a firm idea of key performance exposures in your support portfolio at individual, service, location or staff level.

Saward Dawson cost estimator

Consider the support package cost estimator and the key take homes for your organisation:

Key cost elements

Introduction

As outlined above, we suggest that most organisations focus on the important things first:

Accurately attributing fully costed direct labour to individualised support packages is crucial as it represents between 70% and 85% of most individualised support packages. Most entities will have to consider adding time and attendance software and individual package identifiers as a high priority activity to underpin accurate costing.

Assessing and correctly attributing any other direct package costs is important but immaterial for most providers.

From here, correctly attributing the cost of direct program management, supervision and administration is important. Obviously making sure that this overhead is “right sized” by assessing the caseload and cost is crucial.

While much has been made in the past of the benefits of “shared services” to decrease indirect corporate overheads, we have seen few examples of genuine overhead rates being less than 10% of total costs. While it is important to be as accurate as possible with this element, we question the materiality of most activity based cost adjustments.

Let’s briefly walk through a little detail on the key cost elements and their component parts.

Direct labour costing elements

Accurate role description and award definition

Understanding what types of roles are to be delivered and correctly categorising them into relevant award categories is crucial. While most disability support organisations appear to have lapsed enterprise bargaining agreements, we recommend using the relevant modern award definitions as a first step.

It is crucial that people undertaking costing exercises understand:

- The national employment standards
- The relevant modern awards
- The impact of the equal remuneration order on costs into the future
- The definitional impact of the Fair Work Australia review of “personal care”.

While we are not employment law experts, we find it unlikely that many roles within Victorian disability service provision will be delivered outside of the SACS type award descriptions and conditions.

The ACROSS translation tables, Jobs Australia CSIR Pay Tables and the relevant Fair Work Ombudsman pay and condition guides are all instructive *but* a working knowledge of the actual awards and their role descriptors is helpful.

We also suggest that entities should partner with peers, VCOSS and employment law specialists to confirm their understanding of the award descriptors before progressing further in the costing process.

Required staff mix

Staff mix will vary widely from organisation to organisation. A helpful “rule of thumb” may however be something like this:

- Pay point one - domestic assistance only
- Pay point two - most coalface disability support workers
- Pay point three - team leaders
- Other pay points - role definitions become increasingly important

While this may be a helpful “rule of thumb”, we have observed that many attendant care organisations with high complexity clients really require staff to fulfil roles where pay point three skills and qualifications are required. Careful analysis should be undertaken prior to package costing as small pay point changes can cause material financial performance changes where margins are small.

Full time, part time, casual and agency mix

Workforce planning is beyond the scope of this costing and pricing paper but it should be noted that the organisation’s labour mix may have a material impact on eventual costing and pricing. Casual shift loadings are a crucial issue (at 20% and 40% respectively for Saturday and Sunday shifts) through to July 2014 but phase out after that point. Regular casual loading at 25% is consistent but may also significantly alter delivered labour cost per hour.

While agency use *may* be a necessary evil, the price premium paid is very significant and needs to be considered carefully in any package costing.

Deployed shift types

Direct labour costs vary depending on shift loading and other allowances. Being aware of the rate differences between the key types of shifts is crucial!

Minimum shift length

Different award structures enshrine different minimum shift length and “broken shift” requirements. SACS equivalent roles appear to require minimum shift length to be three hours. Home care equivalent roles appear to allow two hour minimums for the disability industry.

Being aware of these issues and costing “short shift” or intervention work is normally crucial. Ensuring that client work can be effectively scheduled within travel and quality specifications may be a key driver for success in limiting the impact on direct labour cost.

On-costs to consider

Superannuation

It’s important to recognise that the superannuation guarantee charge percentage is moving steadily from its current 9% to 12% over the next seven years. While the move is only small in any given year it is significant and should be embraced in any costing exercise.

Annual leave and leave loading

Properly costing 20 days (pro-rata) or more of annual leave is significant for most organisations. Adding 17.5% leave loading for most award categories is also significant. Ensuring that any costing model embraces these award driven costs clearly is important.

Sick leave

Properly costing 10 days (pro-rata) of sick leave is significant for most organisations. This is a difficult issue to model because this leave is non-vesting under most awards and agreements and may not always be used in full. Our experience over recent years is that if the full expense is not reflected some material unexpected consequences may arise!

Long service leave

Costing long service leave is always a difficult thing. Again this leave type does not vest in the individual under Victorian law until they have five years of continuous service. Our observation in most service providers is that only about a third of employees ever make it to five years of continuous service. While we accept the pragmatism of using lower than full entitlements for costing purposes, we tend to encourage clients to fully cost on a prospective basis.

Leave backfill

Leave backfill should be carefully considered for annual, sick and long service leave. It may also be considered where appropriate for training time. It should be noted that this is the time that most providers see spikes in casual and agency use and therefore costing should be carefully designed and applied.

Workers compensation

Workers compensation based risk assessment and mitigation is becoming a material issue for some providers. Workplace definitions and claims history can impact overall costs significantly. Be aware that this cost element may be quite dynamic over time.

Client support ratio

The most often overlooked variable in costing "individualised support packages" is client support ratios. Just because a client's package is individualised does not mean that support is always 1:1!

We believe that significant numbers of parents, carers and other stakeholders will be looking for ways to stretch funding in Victoria - Even under an NDIS! While no-one wants to return to a congregate care model we believe that you should invest in creative and innovative ways to develop compatible client clusters with similar interests and support complexities. This type of approach may yield significant advantage for clients and providers into the future.

Direct labour accountability

While it is outside the scope of a costing and pricing paper we believe that deployed labour accountability is crucial to the success of any disability support organisation into the future.

The key elements of accountability include regular reporting on actual delivery compared with "planned and costed" delivery on the following variables:

- Staff mix
 - SCHADS pay point
 - Permanent, Casual or Agency
- Shift mix
 - Business hours
 - Afternoons
 - Evenings
 - Saturday
 - Sunday
 - Public Holidays
- Number of hours

Where a client requires staff, shift or support hour changes it is important to reprice and restructure - in real time if at all possible.

Program management and administration cost and caseload assessment

Most organisations will take similar approaches to package rostering, management, supervision, quality and other administration. Usually, these costs should be “relatively” straightforward to disaggregate through identifying key people and infrastructure involved on a cluster by cluster basis.

If you are struggling to work through what costs are in this bucket, look at your organisational structure. Usually, even “broad estimates” of time spent on this activity will yield a reasonable estimate of underlying unit cost impact.

Rather than spending “significant” time in this area undertaking “costing”, we recommend you invest in caseload assessment. If rostering and time / attendance data seems to be taking excessive time, automation and web-basing should be considered. If supervision and quality costs are significantly higher than your peers, you may wish to assess the caseload of some or all of your program managers.

The key issue in this area is to ensure that all costs are correctly and completely absorbed by relevant packages.

Indirect corporate overhead costs

As noted above, this is not an area where we recommend “primary focus”. While very precise cost driver and attribution analysis **can** be undertaken we don’t believe that it adds significant value to most disability support providers.

Common “rules of thumb” for cost analysis include the following:

Indirect overheads - Common cost driver types	
Cost type	Allocation basis
Corporate services	% costs; % revenue; deployed hours; deployed assets
Information technology	Number of computers deployed in program / cluster
Human resources	% of headcount basis
Occupational health and safety	% of headcount basis ; % incidents / risk basis
Quality	% of headcount basis ; % incidents / risk basis; actual time
Marketing and communication	Varies
Insurance – Workcover	Directly absorbed add indirect on a % of headcount basis
Insurance – ISR	Directly absorbed as a % of asset value used in programs
Insurance – other	Varies
Occupancy	% costs; % revenue; deployed hours; deployed assets
Interest	Varies - Depends on use of acquired working capital
Depreciation	Directly absorbed as a % of asset value used in programs

Helpful overhead benchmarks and comparisons

The Nous Not-for-Profit back-of-house function benchmark study provides some helpful insight into the expectations and cost elements of different not-for-profits. A careful review of this document could identify some areas of over and under-investment by your organisation.

Simple worked examples

We will make a series of simple worked examples available to the group as required. They will include:

- Altered NDS WA enterprise level costing tool
 - User manual
 - Example Association (VIC)
 - Template
- Saward Dawson package costing tool
 - User briefing
 - Worked example
 - Template
- Simple worked example - Pay point and overhead assessment

These documents will form the basis of costing and pricing templates to be discussed in workshops two and three.

Key pricing elements

We have briefly commented in the “overview” about pricing structure and strategy. While pricing is outside the engagement scope, we include the “key elements” list below as a discussion starter for you and the broader team.

Once you have an understanding of what you currently deliver and how much it costs, the next logical step is to consider pricing structure and strategy. This process will be stretching for many organisations as it will inevitably lead to some clients receiving lower levels of support.

Pricing strategy needs to be considered and implemented very carefully. It needs to honour the organisations’ “broader context”:

- Organisational mission, vision and values
- Organisational strategic plan and objectives
- Financial capacity
- Organisational and product positioning
- Organisational commitment to quality and particular clinical principles
- Client relationships

Crucial issues to consider when setting pricing structure policy may include:

- Unique value proposition analysis
 - Price
 - Quality or innovation
 - Distribution channel
- Competitor analysis
- User effect analysis
- Business cluster analysis - Grow? Hold? Reprice? Divest?
- Pricing impact on quantity hours worked
- Pricing impact on staff mix
- Pricing impact on products offered or bundled
- Pricing impact on overhead recovery and structure
- Risk adjusted return and its place in not-for-profits
- Pricing framework decision:
 - Decision to remain a price taker
 - Decision to "package prices"
 - Decision to price matrix by flexibility, complexity, timing and quality
- Impact on thin or failed markets
- Potential impact of withdrawal of service

We don't believe that it's possible for any individual support organisation to "predict" the market future. We believe that in setting pricing structure, management and governance should focus on growing organisations that have the capacity (financial, infrastructure, people, discipline etc.) to successfully execute an NDIS market transition.

We don't believe that an NDIS will yield a significant growth in individualised package values in Victoria. We believe that most of the funding to be added to the system will flow to the states that are spending less on disability (on average) than Victoria. Enterprise and pricing design should not presume on the NDIS for the delivery of windfall gains or significant increases in operating margins per unit of client support.

Other key focus areas

Disability support organisations are not just “financial and empirical” in nature. We believe that the leadership team probably needs to be mindful of some of the following issues as part of a costing and pricing implementation.

- Organisational levers that really matter
- Reporting that really matters
- Unique value proposition - design, testing, refinement and costing
- Relationships with clients
- Relationships with funders
- Relationships with staff
- Relationships with other stakeholders
- Evidence based practice and its relevance to your enterprise
- Growing capacity by engaging emerging thought leaders
- Growing capacity by engaging coal face staff in assessment
- Growing capacity by engaging coal face staff in research
- Growing capacity by engaging coal face staff in innovation
- Growing capacity by engaging good practice models and approaches
- Measurement of actuarial cost savings achieved

Detailed discussion and analysis of this material is beyond the scope of this engagement but we commend careful consideration of the above issues and their potential inclusion in your SMART action plans into the future.

Resources

- Altered NDS WA costing and pricing model
- Saward Dawson package demand, costing and pricing model
- QCOSS Unit Costing Tool
- Nous Not-for-Profit back-of-house function benchmarks study
- Peer groups
- Saward Dawson Chartered Accountants

Additional support

While additional support is outside the scope of this particular engagement, we believe that some of the participants are potentially coming off “a modest base” in relation to costing and pricing. While this program is designed as a helpful and structured first step it is just that - A first step.

If you need further support through this process feel free to call the team at Saward Dawson on 03 9894 2500 to discuss the costing and pricing process and our potential part in it!

Helpful ways to build SMART shared objectives

In putting together your costing and pricing action plan together please ensure that your objectives are mindful of the following concepts:

Specific

Measurable

Achievable

Relevant

Time defined

Costing and pricing SMART action list – Sorted by priority

[illegible]

My follow up list

[illegible]